MAYES SUBSTITUTE AMENDMENT #1

TIME/DATE PREPARED: November 21, 2006

COMPANY: Tucson Electric Power

AGENDA ITEM NO. U-15

DOCKET NO. E-01933A-06-0473

OPEN MEETING DATE: November 21-22, 2006

Page 4, Line 23, INSERT NEW FINDING OF FACT:

"23. As currently structured under Option 3, the Program caps the incentive level to 10 kW systems. This structure creates a disincentive for larger non-residential projects. Therefore, we find that the Program should be restructured to a 10 kW incentive cap for residential projects and a 100 kW incentive cap for non-residential projects. The incentive level should be set at \$3.00/watt for residential projects and \$2.50/watt for non-residential projects. TEP should set a \$500,000 cap on incentive payouts to any single customer in a calendar year."

Page 5, line 9, INSERT NEW ORDERING PARAGRAPH:

"IT IS FURTHER ORDERED that the program is approved as modified in Finding of Fact 23."

Make all conforming changes.

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Arizona Corporation Commission DOCKETED

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